THE MINISTER OF STATE IN THE MINISTRY OF COAL (DR. DASARI NARAYAN RAO): (a) and (b) Ministry of Coal constituted a Committee under the Chairmanship of Additional Secretary (Coal) to examine the issue of revision of royalty rates on coal. The Committee ascertained the viewpoints of all stake holders including State Governments. After detailed deliberations with all stake holders, the Committee submitted its report. The Report is under consideration of the government. The likely benefit to the coal/lignite producing States can be estimated only after a view is taken on the basis and rates of royalty by the Government.

(c) The royalty on coal and lignite is collected and retained by the State Governments. However, provision of effective and adequate safety measures is the responsibility of the coal/lignite mine owner.

MoU with NTPC for setting up new coal mining projects

3819. SHRI TAPAN KUMAR SEN:
SHRI PRASANTA CHATTERJEE:

Will the PRIME MINISTER be pleased to state:

(a) whether Coal India Limited (CIL) is signing a MoU with NTPC to set up a joint venture for the development of new coal mining projects;

(b) if so, the outlines of the MoU;

(c) whether CIL has also shown interest in running Mining and Allied Machinery Corp. (MAMC), Durgapur to manufacture underground mining equipment and machinaries; and

(d) if so, the present status of the revival process?

THE MINISTER OF STATE IN THE MINISTRY OF COAL (DR. DASARI NARAYAN RAO): (a) Yes, Sir. An MoU has been signed between Coal India Limited (CIL) and National Thermal Power Corporation (NTPC) on 15.3.2007 for jointly undertaking the development, operation and maintenance of coal blocks and integrated coal based power plant(s).

(b) The outlines of the MOU are:—

(i) Joint Business Development Group consisting of four members each from CIL and NTPC will identify suitable project(s) and

submit feasibility report to the Steering Committee consisting of two Functional Director from each of CIL and NTPC. This COmmittee will send the feasibility report, if considered viable, to the Apex Committee which comprises of CEOs of CIL and NTPC. Apex Committee will consider and approve the report.

(ii) For implementation of the project, a Joint Venture Agreement will be prepared and a project specific Joint Venture Company will be formed after approval for investment and pattern of funding in the venture, by the Board of Directors of CIL and NTPC.

(iii) Once Joint Venture Company is formed, the terms of this MOU will cease to apply to that specific Joint Venture Company.

(iv) The MOU also covers the points of incorporation and Registration of JV(s), its financing, the Board/Management of JV(s), incurrence of expenditure by the parties (CIL & NTPC), confidentiality clause, purchase of excess coal/power limitation of liability, effective date and validity, settlement of disputes and arbitration, entire understanding, governing laws and jurisdiction, assignment of rights and obligations and notice clause.

(c) Damodar Valley Corporation (DVC) has submitted a draft MoU proposal for joint development of an underground mining and material handling equipment and machinery manufacturing facility in and around Durgapur with CIL for revival of M/s. MAMC.

(d) The proposal of revival of M/s. MAMC is in conceptual stages. Detailed action plan will be drawn after MOU with M/s. DVC and other interested parties is signed.

Setting up of coal washeries by CIL

†3820. SHRIMATI SUSHMA SWARAJ: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that Coal India Limited has taken a decision for setting up coal washeries on large scale to ensure supply of cent-per cent washed coal;

†Original notice of the question was received in Hindi.